



MINUTES OF THE SPECIAL PUBLIC MEETING of the Toronto Police Services Board held on **JANUARY 28, 2010** at 3:00 PM in the Board Room, 40 College Street, Toronto, Ontario.

PRESENT:

- Dr. Alok Mukherjee**, Chair
- Ms. Pam McConnell**, Councillor & Vice-Chair
- Ms. Judi Cohen**, Member
- Mr. Frank DiGiorgio**, Councillor & Member
- Mr. Hamlin Grange**, Member
- The Honourable Hugh Locke, Q.C.**, Member
- Mr. Adam Vaughan**, Councillor & Member

ALSO PRESENT:

- Mr. Kim Derry**, Acting Chief of Police
- Ms. Deirdre Williams**, Board Administrator

**THIS IS AN EXTRACT FROM THE MINUTES OF THE SPECIAL PUBLIC MEETING
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**#P28. TORONTO POLICE SERVICE – 2010 OPERATING BUDGET REQUEST
– RESPONSE TO BOARD’S REQUEST FOR FURTHER BUDGET
REDUCTIONS**

The Board was in receipt of the following report January 27, 2010 from William Blair, Chief of Police:

Subject: 2010 OPERATING BUDGET REQUEST FOR THE TORONTO POLICE SERVICE: RESPONSE TO BOARD’S REQUEST FOR FURTHER BUDGET REDUCTIONS

Recommendations:

It is recommended that:

- (1) the Board approve a revised 2010 net operating budget request of \$892.2 million (M), a 4.37% increase over the 2009 approved net operating budget;
- (2) the Board forward a copy of this report to the City’s Deputy City Manager and Chief Financial Officer, for information; and
- (3) the Board forward a copy of this report to the City Budget Committee for approval.

Financial Implications:

The Toronto Police Service’s (TPS) revised 2010 net operating budget request is \$892.2M. This is an increase of \$37.4M (4.37%) over the approved 2009 net operating budget of \$854.8M. This revised budget request has been reduced by \$4.0M from the budget approved by the Board at its meeting on December 17, 2009 (Min. No. P335/09 refers).

Background/Purpose:

The Board approved a 2010 net operating budget request of \$896.2M at its December 17, 2009 meeting (Min. No. P335/09 refers). This budget request was provided to the City’s Deputy City Manager for information and to the City Budget Committee for approval. There have been several meetings with City staff and City Budget Committee representatives on the subject of the Service’s 2010 net operating budget request. During these meetings, the City Manager and Budget Committee representatives suggested that further budget reductions be considered by the Service for 2010. The Board, at its meeting of January 21, 2010, approved the following motion (Min. No. P5/10):

“THAT the Chief of Police be requested to review the 2010 budget request and provide the Board with any further possible budget reductions, without

compromising the Service's ability to provide adequate and effective policing services to the City of Toronto, as required by law, and that maintains the Board-authorized and Council-confirmed uniform officer target strength."

This report provides the Service's response to the Board's request.

Discussion:

The current Board-approved budget request resulted from a thorough review process by the Command and Board Budget Sub-committee. However, in light of the City's on-going financial pressures, and in response to the Board's recommendation noted above, the Service has conducted a further review of the current Board-approved budget request. The following summarizes budget reductions that can be made with the least impact on the delivery of adequate and effective policing services.

- Medical/Dental Benefits (\$0.2M): The budget for these benefits is based on the historical cost of drugs and services as well as utilization rates. Budgets are based on the average increase experienced over the last four years and, as in previous years, are substantially less than the increase projected by the benefits insurance industry. Based on the preliminary 2009 year-end costs, the Service is recommending a reduction of \$0.2M from the 2010 request.
- City Chargeback for Caretaking/Maintenance and Utilities (\$0.4M): The Board-approved budget included a \$1.8M increase in caretaking and maintenance costs for 2010, based on information provided by City Facilities and Real Estate staff. Service and City staff have continued to review the budget for these requirements to determine the appropriate level of service for 2010. As a result of these discussions and reviews, the 2010 budget request can be reduced by \$0.4M.
- Vehicle and Equipment Reserve Contributions (\$1.0M): The vehicle portion of this Reserve is fully funded. However, the Information Technology (IT) and equipment portion of the Reserve are still being phased in. Based on current plans, contributions should increase by \$1.0M annually until 2013 to ensure the Reserve is fully funded. Deferring the 2010 contribution increase of \$1M until 2011 will create a deficit in the Reserve in 2012 based on current plans. The Service will be reviewing its lifecycle terms and maintaining items for a longer period of time, where possible, in order to minimize any potential Reserve deficit. As a result, the deferral of the \$1.0M contribution increase in 2010 is recommended. However, it is anticipated that this deferral will result in a further pressure in 2011.
- Sick Pay Gratuity Reserve Contributions (\$2.2M): The Sick Pay Gratuity Reserve is managed by the City. After a detailed review of this reserve, City Finance advised the Service that its contribution to the Sick Pay Gratuity reserve is significantly less than the annual draws from this reserve, and that the annual contribution should therefore be increased by \$6.5M. In order to minimize the impact on the Service's operating budget, the Service proposed that this increase be phased-in over the next three years, resulting in a pressure of \$2.2M in 2010. The current Board-approved 2010 operating budget request

includes the additional \$2.2M contribution to this reserve. After discussions with City staff, Service and City staff are of the opinion that the phase-in of the additional contribution could be deferred by one year and will commence in 2011. However, this will result in a pressure in 2011.

- Further Salary Gapping – Civilian Staff (\$0.2M):** Service procedure requires specific approval for the filling of all civilian positions. Due to the nature of their function and responsibilities, communication operator and court officer positions are backfilled as soon as possible. As other civilian vacancies occur, Unit Commanders are required to consider whether it is necessary to fill the vacant position. The 2010 operating budget assumes a six-month salary gap for each anticipated vacancy. The Board approved operating budget request provides for a civilian gapping rate of 3.5% (up from 2.9% in 2009). The Service is now proposing that gapping be further increased for 2010 through the strategic delay of backfilling of some civilian positions. In order to achieve further budget savings, the Service will evaluate the operational impact and risks of delaying the filling of civilian positions on a case-by-case basis. The Service expects to achieve a further \$0.2M savings through this approach.

Conclusion:

The Service has conducted a further review of the budget and has determined that a reduction of \$4.0M to the Board-approved budget can be recommended at this time. This level of reduction includes actions (e.g. deferring reserve contributions) that will have future impacts and are not in line with the Service’s longer-term strategy. However, in order to assist in dealing with the City’s current financial pressures, these actions result in the least impact to the effective delivery of policing services and are therefore being recommended. Table 1 summarizes the recommended \$4M reduction.

Table 1. Summary of Reductions to 2010 Net Operating Budget Request (\$Ms)

	Budget Reduction	2010 Budget Request	% Change over 2009
2010 Board-Approved Budget Request		\$896.2M	4.84%
Medical / dental benefit costs	(\$0.2M)		
City Chargeback for Caretaking/ Maintenance and Utilities	(\$0.4M)		
Vehicle and Equipment Reserve Contributions	(\$1.0M)		
Sick Pay Gratuity Reserve Contributions (\$2.2M)	(\$2.2M)		
Civilian Gapping	(\$0.2M)		
Total reductions:		(\$4.0M)	(0.47%)
Revised 2010 Board-Approved Budget Request		\$892.2M	4.37%

Any further reductions to the 2010 operating budget would be arbitrary in nature and would therefore affect the Service’s ability to provide adequate and effective public safety services.

Mr. Tony Veneziano, Chief Administrative Officer, Administrative Command will be in attendance to answer any questions from the Board.

The following persons were in attendance and responded to questions about this report:

**Acting Chief of Police Kim Derry
Mr. Tony Veneziano, Chief Administrative Officer
Mr. Angelo Cristofaro, Director of Finance and Administration
Mr. Steve Conforti, Budget Analyst, City of Toronto**

The Board discussed whether or not there were any other areas or initiatives that could be explored in order to produce further reductions.

The Board subsequently approved the following Motions:

- 1. THAT the foregoing report be approved; and**
- 2. THAT the Board authorize the Chair to develop a response to the City's Budget Chief and the City Budget Committee about the possibility of other opportunities for revenue generation, such as cost recovery in the Entertainment District, and to recognize that the TPS budget is offsetting some costs on the City's budget, such as by policing the transit system.**

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**#P29. FALSE ALARMS - REQUEST TO EXTEND THE EFFECTIVE DATE
FOR THE NEW FEE CHARGED FOR EACH POLICE DISPATCHED
RESPONSE TO A FALSE ALARM**

The Board was in receipt of the attached correspondence dated January 26, 2010 from Jean-Francois Champagne, Executive Director, Canadian Security Association (CANASA), containing a request for a 30-day extension of the effective date of February 1, 2010 for the new fee charged by the Toronto Police Service for each police dispatched response to a false alarm. The new fee had been approved by the Board through a By-Law at its meeting on January 21, 2010 (Min. No. P04/10 refers).

Mr. Champagne was in attendance and delivered a deputation to the Board. Mr. Champagne said that a 30-day extension would provide him with the opportunity to communicate with the CANASA members and for those members to communicate directly to their end-users. The Board noted that most of the 30 days would be used to contact the end-users as Mr. Champagne said that CANASA can notify all its members in 24 hours.

In response to a question regarding the cost of a 30-day deferral, Mr. Tony Veneziano, Chief Administrative Officer, said that it would cost the Service approximately \$24,000 for each month that there is a delay in implementing the new fee.

Mr. Angelo Cristofaro, Director of Finance and Administration, explained the current billing process that was established by the Service with respect to false alarms. The Board was advised that, based on the current practice, all the invoices for the month of February will be sent to the respective monitoring stations on or about March 15, 2010.

The Board received Mr. Champagne's correspondence and his deputation and approved the following Motion:

THAT, given that alarm service providers need some time to advise subscribers of the change in fee, the Service will not implement the charge for at least 30 days from the date on which the by-law becomes effective, that is, February 1, 2010.



January 26, 2010

Deirdre Williams
Board Administrator
Toronto Police Services Board
40 College Street
Toronto, Ontario
M5G 2J3

Ms. Williams,

On behalf of the Canadian Security Association (CANASA) I am in receipt of the communication from Dr. Alok Mukherjee, Chair of the Toronto Police Services Board.

Please note that Mr. Ed Fitchett is now the Past President of the Ontario Chapter of CANASA. We will forward the communication to Jamie Cooper who is now the current President of the Ontario Chapter. In response to the invitation to address the Board on Thursday February 18th, I'd like to confirm that CANASA will be presenting written and oral comments.

CANASA has always and continues to be committed to best practices and the reduction of false dispatches and we also recognize the right of Police Services to levy fees to provide alarm response. As such we were delighted to have Chief Blair as a keynote speaker during our Security Canada Expo in 2008 where he spoke about better a partnership between public and private safety in Canada.

As such, we are concerned that Chief Blair and the Board did not consider reaching out to stakeholders prior to the implementation of the fee increase. Furthermore, a notice of three business days prior to implementation does not leave adequate time to properly inform our common customers.

We would like to formally request a 30 day extension to the effective date of February 1st, 2010. This would allow for proper communication to our common customers, prevent business disruptions and would be considered an act of good faith in solidifying our partnership for the future.

I respectfully request you forward this communication to Chief Blair and Chair, Dr. Alok Mukherjee for consideration.

Sincerely,

Jean-Francois Champagne
Executive Director
jfchampagne@canasa.org

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CANASA advocates, educates and provides leadership to our members in a self-regulated environment of Canadian security professionals.

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#P30. SPECIAL FUND REQUEST: VISIT TO INDIA CONSULATE DINNER

The Board was in receipt of the following report January 28, 2010 from Alok Mukherjee, Chair:

Subject: SPECIAL FUND REQUEST: VISIT TO INDIA CONSULATE DINNER

Recommendation:

It is recommended that the Board approve an amount not to exceed \$1000.00 inclusive of taxes from the Special Fund to pay for half of the cost of the Visit to India Consulate Dinner.

Financial Implications:

If the Board approves the recommendation contained in this report, the Special Fund will be reduced by \$1000.00. As at November 5, 2009, the Special Fund balance is \$989,488.

Background/Purpose:

I will be travelling to India on February 20, 2010 to March 6, 2010, as approved by the Board at its meeting held on January 21, 2010.

Discussion:

The trip will conclude in Mumbai, India and as such, I am in receipt of correspondence from Mr. Marvin Hildebrand, Consul General of Canada in India, suggesting that my visit to Mumbai include a dinner on March 4, 2010. Mr. Hildebrand is suggesting that the dinner would be largely planned by the Consulate, and would include local representatives from the areas of law enforcement, and a range of others who are involved in dealing with critical incidents. Further, Mr. Hildebrand suggests that the dinner be held at his residence and that the Board and the Consulate share the cost.

A copy of Mr. Hildebrand's correspondence is attached to this report for your information.

Conclusion:

Therefore, it is recommended that the Board approve an amount not to exceed \$1000.00 inclusive of taxes from the Special Fund to pay for half of the cost of the Visit to India Consulate Dinner.

Chair Mukherjee did not participate in the consideration of this matter.

Following a discussion, the Board received the foregoing report.

----- Original Message -----

From: [Marvin.Hildebrand@international.gc.ca]

Sent: 01/28/2010 04:27 PM ZE5B

To: Alok Mukherjee

Cc: Bill Blair; <Rick.McElrea@international.gc.ca>; <Sharon.Landry@international.gc.ca>

Subject: RE: Visit to India

Dear Mr Mukherjee,

Further to my earlier reply to your email below, I received today from one of my colleagues a draft program for your upcoming visit to India. I see that you are tentatively scheduled to be in Mumbai from March 3 pm to March 6 early am.

I would like to suggest that your program include a dinner on March 4 that would be largely planned by the Consulate, and would include local representatives from the areas of law enforcement, and a range of others who are involved in dealing with critical incidents. Such an event could be held at my residence. Depending on the size of the event, which I think would be quite useful in advancing Canadian interests, it may be cost effective for the Consulate and TPSB to share the associated costs. I would also be open to any suggestions you might have in terms of invitess.

I would also be interested in additional info concerning the program, e.g. the dinner with business leaders on March 3, as you are able to share this.

Finally, I would be grateful if your program in Mumbai could also include a meeting with Consulate staff, several of whom were directly involved in the assisting victims of the 26/11 terrorist attacks.

Should you have any requests for assistance with the organizing of your program in Mumbai, please let us know. I look forward to hearing from you.

Thanks,

Marvin Hildebrand, Consul General / Consul général
Consulate General of Canada / Consulat général du Canada
6th Floor / 6e étage, Fort House, 221 Dr. D.N. Road, Mumbai 400 001
Tel: +91 22 6749 4444 Fax: +91 22 6749 4454
marvin.hildebrand@international.gc.ca

-----Original Message-----

From: Alok.Mukherjee@tpsb.ca [mailto:Alok.Mukherjee@tpsb.ca]

Sent: January 5, 2010 8:06 PM

To: Hildebrand, Marvin -MMBAI -HOM/CDM; McElrea, Rick -MMBAI -TD

Cc: William.Blair@torontopolice.on.ca

Subject: Visit to India

Dear Consul General Hildebrand and Consul McElrea:

I am writing to you on the suggestion of Professor Sheila Embleton, President, Shastri Indo-Canadian Institute.

I am the Chair of the Toronto Police Services Board. On the invitation of the Government of India, Toronto Police Chief Bill Blair and I will be visiting India from February 20 to March 5. To my knowledge, this will be the first such official visit to India by a major city police chief and police board chair from Canada.

We hope that this visit will help us establish some good relationships with Indian police leaders and give us an opportunity to explore matters of common interest in the area of policing, security and police-community relations.

It will give us great pleasure if, during our stay in Mumbai, we had an opportunity to visit with you and hear your thoughts on some of the security issues that have been encountered in Mumbai.

I will provide further details of our visit as soon as plans are finalized in the next couple of weeks.

With best wishes for the new year and looking forward to hearing from you,

Dr. Alok Mukherjee
Chair, Toronto Police Services Board
40 College Street
Toronto, ON M5G 2J3
Telephone: 416.808.8080

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#P31. ADJOURNMENT

Alok Mukherjee
Chair